

DEPARTMENT OF TAXATION

2003 Fiscal Impact Statement

1. **Patron** Almand

3. **Committee** Senate Courts of Justice

4. **Title** Probate Tax: Small Estate Threshold
Increase

2. **Bill Number** HB 1921

House of Origin:

 Introduced

 Substitute

 Engrossed

Second House:

 X **In Committee**

 Substitute

 Enrolled

5. Summary/Purpose:

This bill would raise the filing threshold for the tax on wills and administration from \$10,000 to \$15,000.

The effective date of this bill is not specified.

6. Fiscal Impact Estimates are: Not available. (See Line 8.)

7. Budget amendment necessary: None.

8. Fiscal implications:

There are no administrative costs to this bill. This bill would decrease General Fund and local revenues by an unknown, but minimal amount.

9. Specific agency or political subdivisions affected:

Department of Taxation
Circuit Court Clerks

10. Technical amendment necessary: None.

11. Other comments:

A probate tax is imposed on the privilege of submitting a will for probate or requesting a grant of administration. This tax must be paid before a person or institution may act as a personal representative for an estate.

A tax of 10¢ per \$100 of a decedent's estate is imposed on the probate of every will or grant of administration, not otherwise exempt, provided that the value of the decedent's estate

exceeds \$10,000. Localities may impose a tax on the probate of every will or grant of administration equal to one-third of the amount imposed by the Commonwealth. This bill would raise the filing threshold for the tax on wills and administration from \$10,000 to \$15,000.

cc : Secretary of Finance

Date: 01/31/03/NMS

Document : S:\2003leg\WorkInProcess\OTPwork\House Bills\HB1921FE161.doc